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Hon. Stephen J. Hillman United States Magistrate Judge Central District of California Roybal Building 255 East Temple Street Los Angeles, CA 90012 writer's E-MAIL ADDRESS dpetrocelli@omm.com

Re: Fourth Age Ltd. et al. v. Warner Bros. Digital Distribution Inc., et al., No. CV-12-9912-ABC (SHx)

Dear Judge Hillman:

We represent the Warner parties in the above-captioned action. On April 18, The Saul Zaentz Company ("Zaentz") requested that the Court relieve it from the obligation of including privileged documents located within the files of its outside counsel Howard Rice and Arnold & Porter on its forthcoming privilege log. *See* Dkt. 156. The Tolkien/HC Parties submitted their opposition on April 25. *See* Dkt. 162.

Warner does not oppose Zaentz's request. Rather, Warner submits this brief letter to reiterate a point made by Zaentz in its application, namely that under no circumstance can Zaentz's application affect the Tolkien/HC Parties' obligation to log every document withheld under a claim of privilege. *See* Dkt. 156 at 3 ("Zaentz would like to make one point absolutely clear . . . Should the Court conclude that it can only grant Zaentz's request for relief in this letter brief in an order that simultaneously relieves the Tolkien/HC Parties of any part of their obligation to prepare a log for MB/Manches' files, Zaentz would withdraw the request made herein.").

As this Court may recall, in response to Warner's motion to compel, this Court ordered all of the parties to produce privilege logs sufficient to support a claim of privilege. *See* Dkt. 135 (March 24 Order). For all the reasons expressed in its motion to compel, Warner requires a complete privilege log from the Tolkien/HC Parties, including all the documents collected from Cathleen Blackburn and Steven Maier, two outside counsel who function in legal as well as business capacities. *See* Dkt. 99 (January 27 motion to compel).

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Moreover, the Tolkien/HC Parties admit in their opposition that they have already undergone the time and expense of logging all such documents, and are prepared to produce that log in two days (as is Warner). *See* Dkt. 162 at 2. Accordingly, there is no reason to relieve the Tolkien/HC Parties of any obligation to log their privilege documents, nor do they ask for any such relief. *See* Dkt. 162 at 2 (the Tolkien/HC Parties' opposition arguing that "plaintiffs contend that <u>all</u> parties should be required to properly log <u>all</u> documents that are being withheld from production on privilege grounds") (emphasis in original).

For all the reasons stated herein and in Zaentz's April 18 letter brief, and those in Warner's original motion to compel, we submit that the disposition of the Zaentz application should in no way affect the Court's existing order requiring the Tolkien/HC Parties to produce a complete privilege log.

Respectfully submitted,

Daniel M. Petrocelli of O'MELVENY & MYERS LLP

cc: John C. Ulin

Bonnie E. Eskenazi